

VZCZCXYZ0002
RR RUEHWEB

DE RUEHHK #2147 3310857
ZNR UUUUU ZZH
R 260857Z NOV 08
FM AMCONSUL HONG KONG
TO RUCPDOG/USDOC WASHDC
INFO RUEHC/SECSTATE WASHDC 6315
RHMFIUU/HQ BICE WASHINGTON DC

UNCLAS HONG KONG 002147

USDOC FOR 532/OEA/LHINES/ADYSON
USDOC FOR 3132 FOR FCS/OIO REGIONAL DIRECTOR PATRICK SANTILLO
BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS

SIPDIS

E.O. 12958: N/A

TAGS: [BMGT](#) [BEXP](#) [HK](#) [ETRD](#) [ETTC](#)

SUBJECT: EXTRANCHECK: POST SHIPMENT VERIFICATION: SHARE HK LTD

REF: A) USDOC 06569 B) USDOC 05607 C) HK 03088 (2007) D) HK 00913
(2008)

1.Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

¶2. As per reftel A request and at the direction of the Office of Enforcement Analysis (OEA) of the USDOC Bureau of Industry and Security (BIS), Export Control Officer Philip Ankel (ECO) attempted to conduct a post shipment-verification (PSV) at Share Hk. Ltd., Flat A, 8/F King Yip Pty Bldg, 59 King Yip Street, Kwun Tong, Hong Kong (Share). The items in question are semiconductors (TIS5962-9679001NXB, DM: SMQ320C32PCMM50) exported to Share on or about April 5, 2008 and valued at USD 8500. On the applicable shippers export declaration (SED), these items are classified under export control classification number (ECCN) 3A001 and, if properly classified, would be controlled for national security (NS) reasons. These appear to be items that may be shipped license-free to Hong Kong but would, in virtually all circumstances, require a license for shipment to mainland China. The exporter was Rochester Electronics of Newburyport, Massachusetts.

¶3. According to the Hong Kong Companies Registry, Share was registered in July 2003. Its paid in capital is the Hong Kong equivalent of USD 2500. Its directors and shareholders are listed as mainland nationals Jiang, Hu (mainland passport number G00909507), Xia, Qiu Min (mainland passport number G06780470) and Xia, Zehghui (mainland passport number G06689017). The corporate secretary is listed as HKRTP Limited (this is the corporate secretary for companies that were the subject of other unfavorable PSVs including those referenced in reftels B and C).

¶4. As detailed further below, Share appears to be related to Wing Lee (China-Hong Kong) Trading Co. Ltd. (Wing Lee), the subject of a previous unfavorable PSV described in reftel D. Specifically, the bill-to information in the Rochester transaction documentation provided by OEA is Wing Lee at Wing Lee's addressed noted in reftel ¶D. Additionally, the contact name for the order in that documentation (Xu, Hui) corresponds to the contact name in the Wing Lee transaction documentation. As discussed further in reftel D, Wing Lee is related to a range of additional Hong Kong and mainland companies.

¶5. The Rochester End Use/Ultimate Consignee Statement, purportedly completed by the end-user of the items lists Galaxy Elec. Technic Limited as the end user of the items. The end use is listed as medical devices (CT and MRI). According to the Hong Kong Companies Registry, Galaxy Elec. Technic Limited has been in existence since ¶1998. Its paid up share capital is the Hong Kong equivalent of USD ¶1250. Hong Kong identity card holders, Chong, Min Min (H340781(2) and Tsui, Kin Chit (H340780(4) are listed as directors. A web search for this company reveals that it appears to sell DVD players. In addition, a range of companies use this same address. Commercial Assistant Carrie Chan reached Mr. Tsui, a representative

of Galaxy, by phone. Mr. Tsui stated that Galaxy did not order these items from Share but they were told to receive the item on Share's behalf. Ultimately, according to this representative, the items never arrived.

16. Based on the information noted above, ECO believes that Share is an unsuitable recipient of U.S. origin controlled technology. ECO recommends that BIS reach out to Rochester to determine what information it had on hand when it shipped the items. Further, ECO requests that OEA confirm the 3A001 classification of the shipment so that ECO may reach out to Hong Kong TID concerning a potential violation of Hong Kong's export control rules in connection with this shipment. Finally, ECO recommends that Share be added to the BIS Unverified List and/or Entities List.